

Rumor turns to anguish: Georgia-Pacific to lay off 300



Jock Moszter, president of the Association of Western Pulp & Paper Workers, Local 5, left, and Vice President Bob Watrous reflect on Friday's announcement of a major reduction in work force at the Georgia-Pacific plant in Camas.

Restructuring will shut down three of five paper machines, company says

By JULIA ANDERSON and JONATHAN NELSON
Columbia staff writers

CAMAS — Reality replaced rumors at the Georgia-Pacific Corp. pulp and paper mill Friday when the company announced plans to lay off 300 workers.

Mill management and union leadership as well as corporate representatives met throughout the day with workers to explain the mill's restructuring agenda. Plans call for the shutdown of three of five paper machines and a pulp-making line that will take the mill work force from 800 to 500 over the next six to 12 months.

"The loss of these jobs is a sad thing," said Jock Moszter, president of the Association of Western Pulp & Paper Workers, Local 5, which represents hourly millworkers. "These are good people. We're hoping that this area's employers will step up and hire them."

Average annual pay for the mill's hourly workers is \$60,000.

Mike Tompkins, mill manager, said that despite the cutback, Georgia-Pacific intends to stay in Camas.

The mill will continue to make pulp to support production of a variety of white communications papers sold under such brand names as Eurokal and Xerox. A paper-towel-making machine will make premium brands enMotion and Rollmaster.

"These are great assets... technically up-to-date equipment with some of the best workers in the industry," Tompkins said. "These workers will take the remaining operation well into the future. We

GEORGIA-PACIFIC CAMAS MILL

- **What:** Integrated pulp and paper manufacturing business.
- **Employees:** 800.
- **Annual payroll, benefits:** \$85 million.
- **Mill products:** Communications papers, commercial towel and tissue products, retail tissue.
- **Current news:** On Friday, company officials announced that mill operations are being restructured, resulting in the layoffs of as many as 300 hourly workers and about 20 salaried workers. The layoffs will occur over the next six to 12 months.
- **Future operations:** The mill will continue as a fully integrated pulp and paper facility with a work force of 500. Products will include white communications papers and premium paper towel products. The new operation will generate annual payroll and benefits of about \$60 million.

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have no plans to sell this site or sell the business," he said.

'Fairly old' machines

Robert Burns, a G-P spokesman, traveled from the company's Atlanta headquarters to help deliver the news to workers who gathered on production floors inside the sprawling 656-acre mill site.

The machines being discontinued produce tissue and towel products such as Angel Soft tissue and Costco brand towels. Tompkins described the machines as "fairly old and relatively small" compared to industry standards.

Burns emphasized that the cutbacks were not the result of the sale of G-P to Koch Industries late last year, but of an internal evaluation that began in mid-2005.

"It's a matter of having the right equipment in the right place to serve the customer base," Burns said. Since early this year, G-P has been rolling out similar cutbacks and changes throughout its U.S. operations. This week, according to The Florida Times-Union, Georgia-Pacific announced cuts at a sawmill in Palatka, Fla., leaving 108 people out of work.

Burns said the towel and tissue production being eliminated in Camas will be picked up by G-P mills in Georgia and Wisconsin.

Severance packages

Union officials said negotiations with the company over severance packages for hourly

workers will begin the week of Nov. 27.

Who stays and who goes will depend on how many workers take severance and on employment longevity with the mill. Those decisions will likely be made by mid-December.

Burns and Tompkins said Camas is not competing with the G-P mill in Wana, Ore., for capital investment dollars.

In August, the company said it would spend \$200 million on buildings and equipment to ex-

pand paper towel and bath tissue production there. But the product mix at Wana is substantially different and more retail-oriented than at Camas, Tompkins said.

"I don't know that there was ever any competition between the two sites or between the two states," he said.

Wait is over

Friday's announcement ended months of speculation about

how many jobs were being lost and the mill's future in a town that once depended on the company for its livelihood.

G-P remains central to Camas. The business generates \$6 million a year in property and business taxes, and the payroll is \$85 million. The planned cuts represent a 40 percent reduction in the work force and will result in total annual payroll and benefits of \$50 million.

Technology companies such as WaferTech and SEH Amer-

ica arrived in Camas two decades ago and have helped ease the area's revenue reliance on Georgia-Pacific. Still, feelings are mixed. The mill has ties to the town that date back to the 1800s. Generations of families have punched time cards at the mill.

"The general feeling around the mill is one of loss," said Moszter, the union president. "It's scary to think about losing jobs. But it's good to get this out, so people can plan their lives."

Officials: Economy can withstand cuts

Diverse tax base will help ease blow

By CAMI JONER and JONATHAN NELSON
Columbia staff writers

CAMAS — The economies of Camas and Washougal will feel the effect as Georgia-Pacific Corp. sheds 300 good-paying pulp and paper mill jobs. But the cutback will create less damage than it would have 20 years ago, according to community and business leaders.

"There are going to be impacts, for sure, but the economy is doing very well overall," said Bart Phillips, president of Columbia River Economic Development Council. "The focus now should be on the individuals who are losing their jobs."

He said local, state and company resources would be tapped to help displaced millworkers. "But each individual will face individual impacts," he said.

Phillips sees the cutback as part of an industry shift that's been happening through-

out the region for more than two decades.

"This mill has been undergoing change for quite some time," he said. "This is the next step, and it makes the remaining operation far healthier. That bodes well for its continued contribution to the economy."

Georgia-Pacific said Friday that it will continue to operate two paper machines in Camas and employ 500 workers with annual payroll and benefits of \$50 million.

Diversification

Recruiting efforts that brought companies such as Sharp Corp. and WaferTech to Camas in the late 1980s and early 1990s will ease the pain. The mill's future was uncertain, even then, said Nan Henriksen, who was mayor of Camas from 1983 to 1992.

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■ **Camas mill timeline.**

■ **Fact box.**

■ **G-P union asks** for monetary support, training.



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Camas-Washougal Chamber

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